

**Mayor Pro Tem Tovo
Item #42 – Housing Trust Fund Resolution
5-19-2016**

Late Backup

RESOLUTION NO.

WHEREAS, Imagine Austin—the City’s recently adopted comprehensive plan for land use and growth adopted June 14, 2012—sets as a primary goal the development and maintenance of household affordability throughout Austin; and

WHEREAS, the most recent 2014 City of Austin Comprehensive Housing Market Study indicates that 60,000 renter households earn less than \$25,000 per year—and just 19,000 affordable rental units exist to serve them, leaving a shortage of 41,000 units; and

WHEREAS, without the city’s continued investment of local resources in creating and preserving affordable rental properties, the rental gap would be larger; and

WHEREAS, the Market Study indicates a shortage of deeply affordable rental units (primarily those renting for less than \$500.00/month) for renters earning less than \$25,000 per year; and

WHEREAS, Austin has worked hard to secure additional funding for affordable housing in the form of General Obligation (GO) bond and Housing Trust Fund dollars to support affordable housing projects that construct or preserve housing for the city’s most vulnerable residents—many with very low incomes, some who were formerly homeless, and some with special housing needs; and

WHEREAS, the Housing Trust Fund Grant Program was established in 2000 and was created in part to address gaps in available funding; and

WHEREAS, this type of flexible funding, which can be deployed quickly and addresses many of the greatest needs in the city, is an irreplaceable tool in a fast-moving housing market where federal support is diminishing; and

WHEREAS, Resolution 0000420-33 (adopted April 20, 2000), which created the Housing Trust Fund Grant Program, directed the City Manager to “identify an additional source of funds other than the General Fund for the City’s contribution to the Housing Trust Fund Grant Program”; and

WHEREAS, Resolution 000907-72 (adopted September 7, 2000) directed the City Manager to dedicate to the Housing Trust Fund “40% of all incremental tax revenues derived from developments that are built on property located in the Desired Development Zone and were not on the Travis Central Appraisal District property tax rolls on June 1, 1997”; and

WHEREAS, despite the fact that Resolution 000907-72 described all public land, the current practice only transfers property tax revenue from properties within the desired development zone that were formerly City-owned; and

WHEREAS, Resolution No. 20151217-074 increased the percentage of tax revenue derived from properties within the desired development zone that were formerly City-owned to be transferred to the Affordable Housing Trust Fund from 40% to 100%;

WHEREAS, the City Council directs such transfers to the Housing Trust Fund each year during adoption of the annual budget and could at that time alter the amount of transfer or recommit funds to other city priorities for the upcoming fiscal year;

**NOW THEREFORE,
BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:**

Beginning with fiscal year 2016-17, in addition to properties previously included in the Housing Trust Fund transfer calculation, the City Manager is directed to transfer 100% of the property tax revenue derived from all properties within the desired development zone not on the tax roll as of January 1, 2016~~5~~ to the Housing Trust Fund.

BE IT FURTHER RESOLVED:

Beginning with fiscal year 2016-17, the City Manager is directed to transfer 100% of the property tax revenue derived from the formally State owned property known as Bull Creek to the Housing Trust Fund.

The City Council shall affirm these transfers and commitments each year during the annual budget.

ADOPTED: _____, 2016 **ATTEST:** _____

Jannette S. Goodall
City Clerk